GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:2279
ANSWERED ON:15.12.2008
IRREGULARITIES IN FCI
Bose Shri Subrata;Mahato Shri Narahari

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether huge losses have been suffered due to the irregularities/corruption prevailing in Food Corporation of India(FCI);

(b) if so, the details thereof during the last three years indicating the financial loss suffered by FCI during the said period;

(c) whether responsibilities have been fixed for these irregularities;

(d) if so,whether any action has been taken against those held responsible;

(e) if so,the details thereof;

(f) if not,the reasons therefor; and

(g) the steps taken by the Government to ensure action against those held guilty and check recurrence of such incidents?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS,FOOD & PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a): No Sir.No huge losses have been suffered while performing large scale operational activities by FCI which involves storage and movement of foodgrains.But based on the findings of different operational divisions,Zones of FCI and Inspection/Investigation reports of Vigilance Division/Sections, Vigilance cases have been initiated for taking disciplinary action against officials of FCI. The details pertaining to last three years are in Annexure-A.

(b):
(i) The amount of losses for the last three years due to theft and misappropriation against total turnover is as under:-

Year	Amount of losses due to theft, pilferage & misappropriation (Rs. In crores)	Turnover (Rs. In crores)
2004-05	1.40	61272.55
2005-06	0.92	57656.48
2006-07	1.55	48883.02

(ii) The details of storage & transit losses of foodgrains (wheat, rice & paddy in terms of rice), occurred due to various reasons viz. multiple handling, long distance transportation by rail, moisture loss on account of long period of storage and also including irregularities of employees, for the last three years are given as under:-

Transit Losses Qty. in lakh MT/Value in Rs. Crore

Year	Loss of Qty.	Value of Loss	Total Qty. moved	%age of Loss on Qty. moved
2005-06	1.51	143.00	353.75	0.43

2006-07 1.39 148.26 255.46 0.49

2007-08 1.15 135.79 287.17 0.40
Provisional

Storage Losses Qty. in lakh MT/Value in Rs. Crore

Year	Loss of Qty.	Value of Loss	Total Qty. issued	%age of Loss on Qty. moved
2005-06	1.17	133.87	730.69	0.16
2006-07	1.34	156.85	461.29	0.28
2007-08 Provisional	1.30	162.77	461.29	0.28

(c):Wherever irregularities have been found, responsibilities have been fixed as per the procedure. Details of number of such vigilance cases involving nature-wise irregularities are in Annexure-B.

(d) & (e): Yes,Sir.The details of nature-wise penalties imposed are detailed in the table as in Annexure-C.

(f): Does not arise.

(g):
(i) A number of steps have been taken by FCI to prevent irregularities/corruption.They are of preventive and punitive in nature.The details are in Annexure-D.

(ii) As far as operational losses are concerned,FCI has taken various steps to check/reduce the same,which are given in Annexure-E.